

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS BAGHDAD 002562

SIPDIS

SENSITIVE

STATE PASS USAID

E.O. 12958: N/A

TAGS: [ECON](#) [EAID](#) [IZ](#)

SUBJECT: MINISTRY OF PLANNING BACK AT THE CENTER OF  
DONOR COORDINATION

This cable is sensitive but unclassified. For government use only. Not for internet distribution.

1. (SBU) Prime Minister Jaafari has returned primacy in contact with aid donors to the Ministry of Planning and Development Cooperation (MoPDC).

2. (SBU) Planning Minister Barham Saleh told us on June 15 that at a meeting earlier that day Prime Minister Jaafari said he would reverse his decision to make Finance Minister Allawi the ITG's primary point of contact with aid donors and return the role to MoPDC. Saleh told us privately that the PM's decision was fully supported by FinMin Allawi and that he has a good relationship and will work well with Allawi. Saleh repeated this message on June 16 to representatives of aid donors and other Iraqi ministries--including Finance--during a meeting of the Iraq Strategic Review Board. In both venues the Minister highlighted the importance of close collaboration between MoPDC and Finance on economic and development issues.

3. (SBU) In a separate meeting with Charge and Emboffs on June 16, confirmed Saleh's report. Allawi took credit for the proposal to leave MoPDC in charge, saying that he had told the PM he had two options, to significantly revamp the donor coordination/reconstruction function--not feasible in the short tenure of the ITG--or to leave things "as they are" with MoPDC in the lead. He said he and Saleh get along well and will work well together.

4. (SBU) Comment. This is a positive development. Donors now have the single primary point of contact in the ITG that they have sought for months, and in Saleh they have an interlocutor who combines political savvy, a market-friendly attitude, and substantive understanding of the issues. Moreover, the MoPDC has the bureaucratic infrastructure for supporting ITG dialogue with donors that was lacking at Finance. At the same time, the two ministries are signaling every intention to work much more closely together on the key financing aspects of donor coordination, especially integrating assistance effectively with Iraqi budget resources. End comment.  
Jeffrey